

# Retiree Activities Office

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## **RAO Newsletter # 2013-4 - January 9, 2013**

### **DFAS Direct Deposit Required**

The Department of the Treasury has announced that all payments from the federal government must be made electronically and not by paper check beginning March 1, 2013. This means most military retirees and annuitants receiving paper checks will be required to sign up for direct deposit. The exception to the rule are those who are over 90 years of age as of 1 May 2011 and those who have a mental impairments which have been substantiated by a physician.

Payees who do not already have an account to receive the direct deposit in will have to open an account at a U.S. financial institution. This will save the American taxpayers about \$120 million every year. Each check costs \$1.04 while each electronic payment only costs 8 cents. With direct deposit, DFAS sends your payment straight to your bank account. Direct deposit gives you immediate access to your money on pay day, and it eliminates the risk of lost or stolen checks, forged signatures and identity theft. There are three ways to start direct deposit. Before you enroll, you'll need to gather information including your financial institution's routing transit number and account number. Then do one of the following:

- a. Send a signed Fast Start Direct Deposit Form available at <http://www.fms.treas.gov/efit/2231.pdf> to Defense Finance and Accounting Service, U.S. Military Retired Pay, P.O. Box 7130, London, KY 40742-7130;
- b. Use your myPay account at <https://mypay.dfas.mil/mypay.aspx> to set up a direct deposit to your checking or savings account; or
- c. Call the DFAS Retired and Annuitant Pay Customer Care Center at 800-321-1080.

Don't have a bank account? Find a bank or credit union in your area that is reputable and provides the services you need at little or no cost. And make sure they offer FDIC coverage of your account and accept direct deposit.

Military members or civilian employees paid by DFAS should contact their base finance office, employer's Customer Service Representative (payroll liaison) or human resources office to start direct deposit if they're unable to access myPay. Those needing additional assistance can call DFAS customer service at 1-800-321-1080 (for retirees and annuitants) or 1-888-332-7411 (for military and civilian employees). It can take 30 to 60 days from the day we receive your enrollment for direct deposit to start. If after enrolling you receive a paper check, cash or deposit it as you normally would. DFAS will send you a notification when we process your enrollment.

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